MONTHLY REVIEW

Of Agricultural, Industrial, Trade and Financial Conditions in the Sixth Federal Reserve District

FEDERAL RESERVE BANK OF ATLANTA

(Compiled June 18, 1929)

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BUSINESS CONDITIONS IN THE UNITED STATES.

Production and distribution of commodities continued at a high rate in May. Wholesale commodity prices declined further during the month, but more recently showed some advance. Total loans and investments of member banks in leading cities have increased since the latter part of May.

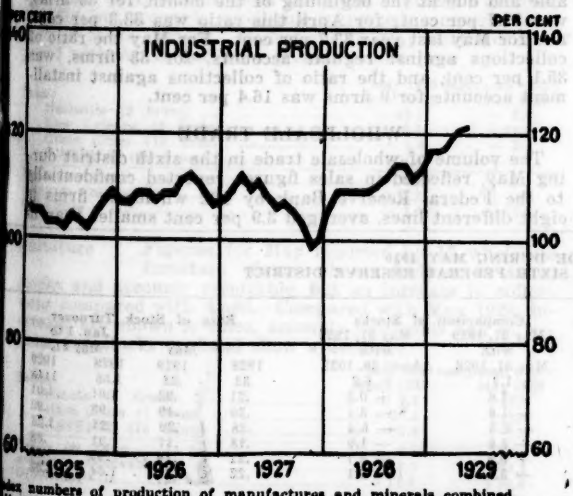
Production Industrial production continued large in May and was accompanied by a further increase in the volume of factory employment and payrolls. Output of the iron and steel industry increased further, and shipments of iron ore during May were the largest for that month of any recent year; production of pig iron, steel ingots, and coke was at record levels; and semi-finished and finished steel was produced in large volume. During the first half of June steel operations remained close to capacity, although some decline from the high rate of May was reported. Output of automobiles, which has been in unusually large volume since the beginning of the year, showed a slight reduction in May. Copper production at mines, smelters, and refineries decreased during May but continued large. Combined stocks of refined and blister copper at the end of May were the largest since 1927. Zinc, lead, petroleum, and bituminous coal were produced in larger volume than in April, while the output of anthracite coal declined. Output in the textile industries continued large in May although there was a decline in activity in silk mills. Meat production, while larger than in April, increased less than is usual at this season. Value of building contracts awarded declined in May, and was below last year's level, the decrease in comparison with 1928 being chiefly in residential building. During the first two weeks in June contracts averaged 15 per cent less than in the same period in 1928. The June first crop summary of the Department of Agriculture indicated an increase of 43,000,000 bushels, or more than 7 per cent, in the crop of winter wheat. The condition of spring wheat, barley, and hay was reported to be better than a year ago.

Distribution The volume of freight shipments increased seasonally in May and continued substantially above the total of a year ago. Department store sales increased in May and were 2 per cent larger than in the same month in the preceding year.

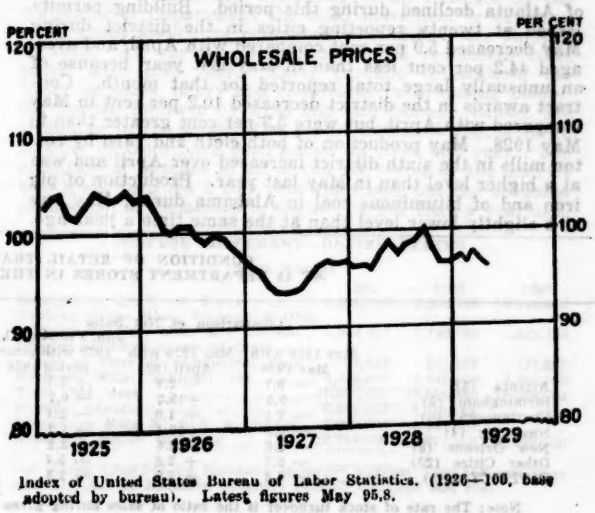
Prices Wholesale prices continued in May the downward movement of the previous month, according to the index of the United States Bureau of Labor Statistics. The decline of the general level was chiefly the result of price declines in agricultural products and their manufactures, although prices of other products also declined slightly. Prices of cotton and grains continued sharply downward in May and there were marked declines in prices of hogs, wool, and lambs. Prices of mineral and forest products and their manufactures averaged lower in May than in April, particularly those of copper, lead, and tin, petroleum and gasoline, and iron and steel advanced in price; while in lumber there was a slight decline. Since the latter part of May, prices of cattle and hides have advanced sharply and there have been increases in the prices of grains, hogs and cotton.

Bank Credit Total loans and investments of member banks in leading cities, which were at a low point for the year in the latter part of May, increased considerably during the subsequent three weeks and on June 19 were about $250,000,000 larger than a year ago. The recent increase reflected a large growth in volume of loans on securities, which had declined during

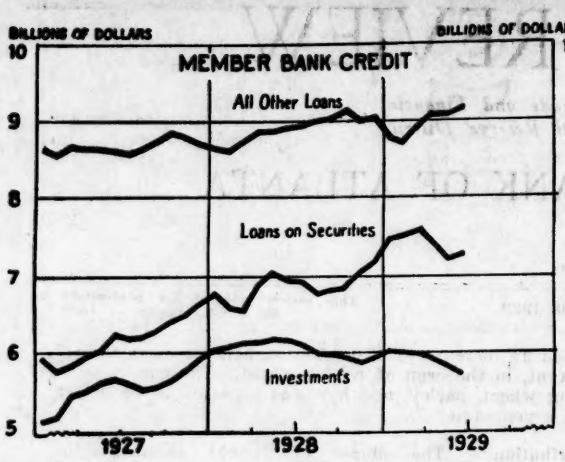
(Continued on page 7)



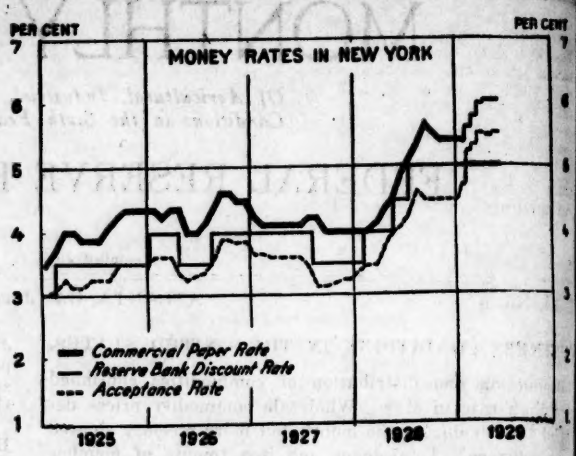
Index numbers of production of manufactures and minerals combined, adjusted for seasonal variations (1923-25 average—100.) Latest figure, May 123.



Index of United States Bureau of Labor Statistics. (1926—100, base adopted by bureau). Latest figure May 95.8.



Monthly averages of weekly figures for reporting banks in leading cities. Latest figures are averages of first three weeks in June.



Monthly rates in the open market in New York: commercial paper rate on 4- to 6-month paper and acceptance rate on 90-day bankers' acceptances. Latest figures are averages for first 22 days in June.

SIXTH DISTRICT SUMMARY

Business statistics relating to the Sixth Federal Reserve District for the month of May indicate improvement over April in retail trade and in the production of cotton cloth and yarn, but declines are shown in wholesale distribution, building, and in the total of debits to individual accounts reflecting the volume of business transactions settled by check. Agricultural conditions recently have been more favorable than earlier in the season.

Retail trade in May as reflected in figures reported confidentially to the Federal Reserve Bank by 45 department stores averaged 2.9 per cent greater than in April, but was 6.4 per cent less than in May last year. Stocks on hand and collections declined in comparison with both of those periods. Wholesale trade in May declined compared with April and collections decreased, but both sales and collections averaged somewhat greater than in May a year ago. The volume of debits to individual accounts at 26 reporting cities of the district declined 4.9 per cent in May compared with April, but averaged 3.2 per cent greater than in May 1928. Savings deposits at the end of May reported by 80 banks in the district averaged about the same as a month earlier, but were 5 per cent smaller than a year ago. Loans on securities by thirty weekly reporting member banks decreased between May 8 and June 12, but other loans increased, and discounts for member banks in the district by the Federal Reserve Bank of Atlanta declined during this period. Building permits issued at twenty reporting cities in the district during May decreased 5.9 per cent compared with April, and averaged 44.2 per cent less than in May last year, because of an unusually large total reported for that month. Contract awards in the district decreased 10.2 per cent in May compared with April, but were 3.3 per cent greater than in May 1928. May production of both cloth and yarn by cotton mills in the sixth district increased over April and was at a higher level than in May last year. Production of pig iron and of bituminous coal in Alabama during May was at a slightly lower level than at the same time a year ago.

RETAIL TRADE

The distribution of merchandise at retail, as reflected in sales figures reported confidentially to the Federal Reserve Bank of Atlanta by representative department stores located throughout the sixth district, increased in most parts of the district in May as compared with April, but was in smaller volume than in May last year. Stocks of merchandise averaged somewhat lower than a month or a year ago, and the rate of stock turnover was slightly less favorable than at the same time last year.

May sales by 45 reporting department stores averaged 2.9 per cent greater than in April, but were 6.4 per cent smaller than in May 1928. Decreases compared with April were, however, shown at Atlanta and New Orleans, and all points shown in the statement reported May sales this year at a lower level than a year ago. Cumulative sales from January 1 through the month of May were greater than for the same period last year at Atlanta, but in smaller volume at other reporting points. Stocks of merchandise on hand at the close of May averaged 3.1 per cent smaller than for April, and 3.5 per cent less than for May 1928. Accounts receivable at the end of May were one-tenth of one per cent larger than for April, and 3.4 per cent greater than for May last year. Collections in April were 4.3 per cent less than during April, and one-half of one per cent smaller than during May a year ago. The ratio of collections during May to accounts receivable and due at the beginning of the month, for 33 firms, was 32.7 per cent; for April this ratio was 33.3 per cent, and for May last year 33.7 per cent. For May the ratio of collections against regular accounts, for 33 firms, was 35.1 per cent, and the ratio of collections against installment accounts for 9 firms was 16.4 per cent.

WHOLESALE TRADE

The volume of wholesale trade in the sixth district during May, reflected in sales figures reported confidentially to the Federal Reserve Bank by 122 wholesale firms in eight different lines, averaged 3.9 per cent smaller than in

CONDITION OF RETAIL TRADE DURING MAY 1929 AT 45 DEPARTMENT STORES IN THE SIXTH FEDERAL RESERVE DISTRICT

	Comparison of Net Sales			Comparison of Stocks		Rate of Stock Turnover			
	May 1929 with May 1928	May 1929 with April 1929	Jan. 1 to May 31, 1929 with same period 1928	May 31, 1929 with May 31, 1928	May 31, 1929 with April 30, 1929	May 1928	May 1929	Jan. 1 to May 31, 1928	Jan. 1 to May 31, 1929
Atlanta (5)	— 9.7	— 2.4	+ 2.7	+ 1.2	— 6.2	.32	.28	1.36	1443
Birmingham (5)	—5.5	+15.3	— 0.7	— 7.6	+ 0.3	.21	.22	1.01	1.01
Chattanooga (6)	— 7.1	+ 1.0	— 2.4	— 1.6	— 3.1	.20	.19	.93	.92
Nashville (4)	— 0.9	+19.4	— 1.2	— 2.3	— 5.4	.28	.29	1.24	1.25
New Orleans (5)	— 5.5	— 2.6	— 3.2	— 6.5	— 1.9	.18	.17	.91	.88
Other Cities (20)	— 6.7	+ 2.8	— 3.4	+ 0.6	— 3.7	.21	.19	.99	.92
DISTRICT (45)	— 6.4	+ 2.9	— 1.3	— 3.5	— 3.1	.22	.21	1.04	1.03

Note: The rate of stock turnover is the ratio of sales during given period to average stocks on hand.

April, but was 2.5 per cent greater than in May last year. The index number of wholesale trade for May was 87.2, based upon the monthly average for the three-year period 1923-25 inclusive, and was higher than for May of 1928 or 1927. Stocks of merchandise declined, and accounts receivable increased slightly, compared with the preceding month and the same month a year ago. Collections were smaller in volume than in April, but greater than in May last year. Percentage comparisons of figures for all lines combined are shown in the table.

	May 1929 compared with: April 1929	May 1928
Sales	— 3.9	+ 2.5
Stocks	— 1.8	— 2.8
Accounts receivable	+ 0.3	+ 0.9
Collections	— 2.6	+ 2.0

Groceries May sales of groceries at wholesale by 29 reporting firms averaged slightly larger than in April, or in May last year, increases at some points slightly more than offsetting decreases at other places. Stocks and collections declined compared with both of those periods. Percentage comparisons of reported figures are shown in the table.

Sales:	May 1929 compared with: April 1929	May 1928
Atlanta (3 firms)	+ 1.5	— 6.0
Jacksonville (4 firms)	— 3.2	+14.1
New Orleans (6 firms)	+ 5.9	—13.8
Vicksburg (3 firms)	— 9.0	— 3.9
Other Cities (13 firms)	+ 2.6	+ 5.6
DISTRICT (29 firms)	— 0.6	+ 0.2
Stocks on hand	— 8.6	— 9.2
Accounts receivable	+ 0.4	— 8.2
Collections	— 5.7	— 5.0

Dry Goods Sales of dry goods at wholesale during May declined seasonally compared with the preceding month, and averaged fractionally larger than in May last year, because of increases reported from Atlanta and Other Cities. Declines compared with both of those comparative periods are shown in stocks, accounts receivable, and collections.

Sales:	May 1929 compared with: April 1929	May 1928
Atlanta (3 firms)	—17.6	+ 5.7
Nashville (3 firms)	—18.1	— 5.6
New Orleans (4 firms)	—19.1	—11.6
Other Cities (15 firms)	— 8.3	+ 5.1
DISTRICT (25 firms)	—12.8	+ 0.3
Stocks on hand	— 1.2	—15.6
Accounts receivable	— 2.2	— 5.1
Collections	— 8.2	— 6.4

Hardware May sales of hardware at wholesale averaged somewhat greater than in April, or in May last year, due to increases reported from Nashville and New Orleans, reports grouped under Other Cities showing decreases in both instances. Stocks declined slightly, but accounts receivable increased, compared with both of those periods. Collections in May declined compared with April, but were greater than a year ago.

Sales:	May 1929 compared with: April 1929	May 1928
Nashville (3 firms)	—18.1	— 5.6
New Orleans (5 firms)	+ 6.3	+21.1
Other Cities (19 firms)	— 3.6	— 3.0
DISTRICT (28 firms)	+ 1.4	+ 5.7
Stocks on hand	— 0.5	— 0.2
Accounts receivable	+ 2.2	+ 4.2
Collections	— 1.1	+ 9.0

Furniture Figures for May reported by 12 wholesale furniture firms show declines in sales, stocks and accounts receivable, but an increase in collections compared with April. Compared with May 1928, increases are shown in sales, accounts receivable and collections, but stocks on hand show a decrease.

Sales:	May 1929 compared with: April 1929	May 1928
Atlanta (5 firms)	— 7.5	+22.8
Other Cities (7 firms)	—17.4	+ 2.0
DISTRICT (12 firms)	—15.6	+ 5.6
Stocks on hand	— 6.5	— 7.0
Accounts receivable	— 1.9	+11.1
Collections	+11.7	+10.4

Electrical Supplies May sales of electrical supplies at wholesale were smaller than in April, but averaged 5 per cent greater than in May 1928 due to an increase reported from New Orleans. Stocks on hand increased over those reported a month earlier, but accounts receivable and collections declined compared with April, but all reported items show increases over May last year.

Sales:	May 1929 compared with: April 1929	May 1928
New Orleans (4 firms)	—14.6	+18.9
Other Cities (9 firms)	—18.4	— 2.1
DISTRICT (13 firms)	—17.0	+ 5.0
Stocks on hand	+ 5.6	+25.7
Accounts receivable	— 1.9	+11.3
Collections	— 0.9	+ 8.6

Comparisons in the other three lines are shown only for the district, as three or more reports were not received from any single city in any of these lines. Sales of shoes and stationery were smaller in May than in April, or in May last year, while sales of drugs were larger. Collections reported by wholesale drug firms increased over both of those periods.

	May 1929 compared with: April 1929	May 1928
Shoes: Sales	—10.0	— 9.4
Stationery: Sales	—14.4	— 3.8
Drugs: Sales	+ 2.1	+ 4.3
Accounts receivable	+ 1.7	— 0.0
Collections	+ 3.9	+ 4.6

AGRICULTURE

Weather conditions during most of May and early June have been more favorable than earlier in the season, and farm work has shown progress, although cotton has been retarded by excessive moisture and low temperatures. Reports issued by the United States Department of Agriculture indicate that the outlook for staple crops in Florida on June 1 appears better than at the same time last year, although damage from early rains made necessary considerable re-planting, but that present indications are for a citrus fruit production much below that of last year. The condition of Oranges on June 1 was 63 per cent compared with 80 per cent a year ago, and the condition of grapefruit was 58 per cent compared with 76 per cent at the same time last year. Shipments will be further reduced by the restriction of the fruit fly quarantine. Truck crops were unusually early this year. Mississippi crops made fairly good progress during May and were about as well advanced as usual at the beginning of June, but farm work was greatly retarded in Tennessee by excessive rains which hindered cultivation. Present indications are for a peach crop in Georgia considerably below the total for any season since 1923. According to an estimate by the Agricultural Department the total movement is expected to be about 9,500 cars, compared with 15,926 cars shipped in 1928. All varieties show substantial reductions compared with last year. Early curculio infestation, the worst in years, heavy and continuous rains during blooming period, followed by wind and hail damage, caused the reduction in the crop. The report indicates that a large number of trees have been pulled up since last year. The condition of peaches in all of the six states of the district was lower on June 1 this year than last, but the probable production in Tennessee is slightly larger than a year ago.

COTTON MOVEMENT—UNITED STATES

	Since August 1 1929	1928	1927
Receipts at all U. S. Ports	9,231,716	8,285,962	12,540,313
Oveland across Miss., Potomac & Ohio Rivers to Nor. Mills and Canada	1,344,727	1,129,765	1,521,104
Interior stocks in excess of those held at close of commercial year	98,789	251,972	121,287
Southern Mills Takings, net	4,422,000	4,243,000	4,408,000
Total 304 days	15,097,229	13,910,699	18,590,704
Foreign exports	7,648,126	7,010,062	———
*American Mills N. & S. & Canada	7,037,692	6,542,093	———
American cotton thus far	14,339,000	13,677,000	16,020,000

*of which 1,840,245 by Northern Spinners against 1,760,563 last year and 5,197,447 by Southern Spinners against 4,781,530 last year.

Sugar Cane and Sugar

Weather conditions in the Louisiana cane belt, according to press reports, have been favorable during most of May and early June. Some heavy rains have interrupted field operations, but the cane has made progress and the condition of the crop is reported as normal.

A report issued by the United States Department of Agriculture in May indicates that the total production of sugar in Louisiana during the 1928 season amounted to 132,053 short tons, compared with 70,792 short tons produced during the 1927 season, and with 47,166 short tons produced during the 1926 season. Production of molasses during 1928 amounted to 13,534,589 gallons, compared with 6,624,075 gallons in 1927, and with 6,614,435 gallons in 1926.

SUGAR MOVEMENT (Pounds)

Raw Sugar

	May 1929	April 1929	May 1928
Receipts:			
New Orleans	137,718,802	193,251,535	87,003,959
Savannah	9,963,950	59,138,160	6,719,503
Meltings:			
New Orleans	167,797,976	154,040,093	119,543,548
Savannah	7,482,091	37,375,892	24,812,035
Stocks:			
New Orleans	157,175,161	187,417,944	58,500,514
Savannah	79,807,383	77,325,524	36,622,261

Refined Sugar (Pounds)

Shipments:			
New Orleans	140,088,966	176,573,549	106,751,375
Savannah	25,441,871	19,350,188	23,999,077
Stocks:			
New Orleans	86,665,658	65,898,750	62,948,318
Savannah	18,967,403	37,905,141	33,837,629

RICE MOVEMENT—NEW ORLEANS

Rough Rice (Sacks)

	May 1929	April 1929	May 1928
Receipts	19,235	19,512	13,393
Shipments	39,229	16,525	12,491
Stocks	2,838	22,832	9,145

CLEAN RICE—(Pockets)

Receipts	133,187	122,132	189,552
Shipments	125,528	131,246	203,261
Stocks	162,392	154,733	188,792

RICE MILLERS ASSOCIATION STATISTICS

(Barrels)

	May	Aug. 1 to May 31
Receipts of Rough Rice:		
Season 1928-29	231,893	8,846,730
Season 1927-28	351,607	9,348,808
Distribution of Milled Rice:		
Season 1928-29	714,677	8,716,354
Season 1927-28	909,718	9,373,629
Stocks of Rough and Milled Rice:		
June 1, 1929	1,311,568	
June 1, 1928	1,455,366	

FINANCIAL

Savings Deposits

Total savings deposits at the end of May, reported to the Federal Reserve Bank by eighty banks located throughout the district, averaged fractionally larger than a month earlier, but were five per cent less than at the same time last year. Small increases in May over April reported from Atlanta, Birmingham, Nashville and New Orleans were nearly offset in the district average by decreases reported from Jacksonville and Other Cities. Comparisons are shown in the table for Atlanta, and for Federal Reserve branch cities, and reports from banks located elsewhere are grouped under "Other Cities."

(000 Omitted)

	May 1929	Apr. 1929	Comparison May-Apr.	May 1928	Comparison May '29-'28
Atlanta (7 banks)	$ 43,534	$ 42,974	+ 1.3	$ 45,530	— 4.4
Birmingham (4 banks)	25,182	24,978	+ 0.8	25,524	— 1.3
Jacksonville (5 banks)	25,740	26,024	— 1.1	28,848	—10.8
Nashville (8 banks)	25,556	25,442	+ 0.4	27,883	— 8.3
New Orleans (7 banks)	46,582	46,121	+ 1.0	50,259	— 7.3
Other Cities (49 banks)	109,724	110,399	— 0.6	112,925	— 2.8
Total (80 banks)	276,318	275,939	+ 0.1	290,969	— 5.0

Debits to Indicidual Accounts

The total volume of debits to individual accounts at twenty-six reporting cities of the sixth district during May averaged 4.9 per cent less than in April, but was 3.2 per cent greater than in May 1928. Eleven of these reporting cities show increases over May last year, while decreases were reported from fifteen. The monthly figures shown in the table are derived from weekly reports by prorating figures for those weeks which do not fall entirely within a single calendar month.

(000 omitted)

	May 1929	Apr. 1929	May 192
Alabama			
Birmingham	$ 148,938	$ 150,797	$ 159,94
Dothan	3,527	3,418	3,6
Mobile	40,034	38,270	43,2
Montgomery	27,837	31,207	27,01
Florida			
Jacksonville	78,426	87,750	76,7
Miami	38,942	45,800	36,9
Pensacola	7,561	7,985	7,3
Tampa	39,249	40,270	42,2
Georgia			
Albany	3,944	3,958	3,9
Atlanta	229,917	231,954	165,2
Augusta	26,132	28,430	26,6
Brunswick	4,452	4,039	3,3
Columbus	18,141	16,173	14,5
Elberton	1,063	1,131	1
Macon	19,722	19,958	22,4
Newnan	1,852	1,962	2,1
Savannah	40,954	40,890	44,0
Valdosta	3,937	4,335	4,7
Louisiana			
New Orleans	316,888	341,170	321,8
Mississippi			
Hattiesburg	6,825	7,460	7,7
Jackson	25,971	31,584	27,1
Meridian	15,358	15,507	13,6
Vicksburg	6,308	6,731	6,6
Tennessee			
Chattanooga	50,665	52,281	53,2
Knoxville	36,792	38,691	34,3
Nashville	101,982	110,724	101,9
Total 26 Cities	$1,295,517	$1,362,425	$1,254,9

Condition of Member Banks in Selected Cities

Weekly reports received from thirty reporting member banks located in Atlanta, New Orleans, Birmingham, Jacksonville, Nashville, Chattanooga, Knoxville and Savannah indicate that in the five weeks period between May 8, figures for which date were shown in the preceding issue of the Review, and June 12, loans by these banks on securities declined $3,726,000, but this was nearly offset by an increase of $3,413,000 in All Other Loans, which are largely for commercial, agricultural, and industrial purposes. Total loans of these banks on June 12 were, therefore, $313,000 less than on May 8. United States securities owned by these banks on June 12 were smaller by $3,911,000 than on May 8, but there was a small increase in holdings of Other Stocks and Bonds, and Total Loans and Investments declined $4,202,000 during this five weeks period. Compared with figures for the corresponding report date a year ago, loans on securities on June 12 this year were somewhat greater, but All Other Loans, smaller, than on June 13, 1928, holdings of United States securities were slightly smaller but Other Stocks and Bonds were owned in larger volume, and Total Loans and investments on June 12 were $6,840,000 greater than a year ago. Demand deposits declined from nearly 32[illegible] millions on May 8 to 314 millions on May 29, but increased to 322 millions on June 12, and on that date were approximately 15 millions less than a year ago. Time deposits increased more than 10½ millions during this five weeks period, and on June 12 were about 3 millions less than a year ago. Balances with correspondent banks maintained by these weekly reporting member banks were, on June 12, about a million dollars greater than five weeks, or a year, earlier, while balances maintaiped with them by correspondent banks were 5½ millions smaller than on May 8 and 11 millions less than a year ago. Principal items in the weekly report, for the three comparative dates, are shown in the table.

(000 Omitted)

	June 12, 1929	May 8, 1929	June 1 1928
Loans:			
On Securities	$146,522	$150,248	$138,2
All Other	366,652	363,239	349,6
Total Loans	513,174	513,487	488,2
U. S. Securities	61,028	64,939	62,1
Other Stocks and Bonds	70,271	70,249	67,2
Total Loans and Investments	644,473	648,675	617,6
Time Deposits	239,364	228,595	245,4
Demand Deposits	322,152	327,888	337,2
Due from Banks	70,643	69,574	69,2
Due to Banks	93,597	99,163	104,4
Borrowings from F. R. Bank	42,296	49,522	48,4

Operations of the Federal Reserve Bank Figures contained in the weekly statements of the Federal Reserve Bank of Atlanta show that discounts for member banks secured by United States government obligations were nearly three millions less on June 12 than on May 8, and on only three report dates of this year have these discounts been less than reported on June 12. Other bills discounted, for commercial, industrial and agricultural purposes, increased from 57 millions on May 8 to 60 millions on June 5, but declined the following week to 55 millions. Total discounts on June 12 were approximately 5 millions less than five weeks earlier. Compared with figures for the corresponding report date last year, discounts secured by United States government obligations on June 12 show a decrease of 2.8 millions, but other bills discounted show an increase of 7.5 millions, and total discounts were, therefore, 4.7 millions greater than at that time. Holdings of bills bought in the open market, and of United States securities, on June 12 were slightly larger than on May 8, but were in smaller volume than a year ago, and total bills and securities on June 12 show a decrease of $4,601,000 compared with May 8, and were smaller by $7,798,000 than on the same report date last year. Federal reserve notes in actual circulation, and total deposits, were less, and reserves were slightly greater, than on either of the report dates under comparison. Principal figures in the weekly statement for the three comparative report dates are shown in the table.

(000 Omitted)

	June 12, 1929	May 8, 1929	June 13, 1928
Bills Discounted:			
Secured by Govt. Obligations	$ 14,526	$ 17,486	$ 17,318
All Others	55,058	57,045	47,503
Total Discounts	69,584	74,531	64,821
Bills Bought in open market	8,464	7,995	19,074
U. S. Securities	3,272	3,148	5,224
Foreign loans on Gold		248	
Total Bills and Securities	81,321	85,922	89,119
Cash Reserves	119,966	118,908	117,478
Total Deposits	66,380	67,061	67,220
F. R. Notes in actual circulation	128,978	132,693	134,880
Reserve Ratio	61.4	59.5	58.1

Bank Deposits of All Member Banks Net demand deposits of all member banks in the sixth district declined in April after increasing each month since September of last year. Time deposits of all member banks increased in February and March, but decreased in April to a point lower than for any month in more than two years. The figures for 1929 are averages of daily figures for each month, while those for corresponding months of 1928 are for a single report date of each month.

	Demand Deposits		Time Deposits	
	1929	1928	1929	1928
January	$594,393,000	$634,598,000	$454,062,000	$465,326,000
February	596,768,000	625,307,000	458,445,000	461,400,000
March	600,785,000	621,048,000	459,325,000	465,757,000
April	594,913,000	612,186,000	449,462,000	467,351,000

Commercial Failures According to statistics compiled by R. G. Dun and Company, commercial failures in the United States during May declined in number, but increased in total liabilities compared with the preceding month and with the corresponding month of last year. Liabilities increased 16.9 per cent over those for April, and 14.1 per cent over those for May 1928.

Figures for the sixth district show that there were fewer failures in May than in April, or in May last year, and while May liabilities were 12.2 per cent less than those for April, they show an increase of 16.4 per cent over May 1928. Figures in the table show failures in the United States divided by Federal Reserve Districts.

District	Number May 1929	Liabilities May 1929	Liabilities April 1929	Liabilities May 1928
Boston	207	$ 5,337,882	$ 3,904,104	$ 3,558,326
New York	392	8,631,615	8,846,562	5,993,860
Philadelphia	87	1,902,538	2,015,410	2,693,285
Cleveland	148	3,226,670	2,539,185	2,377,568
Richmond	117	2,052,505	2,573,495	2,947,871
Atlanta	82	1,825,300	2,075,964	1,566,985
Chicago	255	8,174,449	4,983,924	7,456,484
St. Louis	107	1,215,307	1,992,932	1,663,143
Minneapolis	52	445,891	717,778	912,178
Kansas City	127	1,532,354	1,271,800	1,768,039
Dallas	50	1,084,428	515,003	2,214,149
San Francisco	273	5,788,926	3,833,465	2,965,102
Total	1897	$41,215,865	$35,269,702	$36,116,990

Gold Movement According to figures compiled by the United States Department of Commerce, exports of gold during the month of May amounted to only $467,000 as compared with $1,594,000 in April, and with $83,689,000 in May 1928, and imports of gold during May totaled $24,097,000, compared with $24,687,000 in April, and with $1,968,000 in May last year.

IMPORTS AND EXPORTS

United States Preliminary figures for May, compiled and published by the United States Department of Commerce, indicate that exports of merchandise from the United States declined 9.1 per cent compared with April, and were 8.4 per cent less than in May last year. Imports during May were 2.4 per cent less than in April, but were 13.3 per cent greater than in May 1928. Preliminary figures with comparisons are shown in the table.

	1929	1928
Exports:		
May	$ 387,000,000	$ 422,557,000
April	425,806,000	363,928,000
11 months ending with May	4,982,817,000	4,488,410,000
Imports:		
May	401,000,000	353,981,000
April	410,675,000	345,314,000
11 months ending with May	3,939,329,000	3,830,251,000

New Orleans Merchandise was imported into the United States through the port of New Orleans during March, the latest month for which detailed figures are available, to the value of $20,487,805, compared with a total of $21,730,246 for February, and with $18,880,785 for March 1928. The principal commodities imported during March were coffee, sugar, burlaps, bananas, Sodium nitrate, crude petroleum, molasses and sisal.

Exports through the port of New Orleans during March amounted to $32,334,987, compared with $32,383,325 for February, and with $31,192,991 for March a year ago. Among the larger items exported during March were, cotton, gasoline, tobacco, illuminating and cylinder lubricating oil, tobacco, lard, carbon black and lumber.

Grain Exports—New Orleans

Grain exports through the port of New Orleans continued in May in larger volume than at the same time last year. The total for the season July 1 through May 31, is also larger than for the previous season because of the larger movement of corn and barley. Figures for May, and for the season, are shown in the table.

	May 1929	May 1928	Season July 1 to April 30, 1929	1928
Wheat, bu.	234,315	52,430	5,570,011	8,044,964
Corn, bu.	240,988	150,535	11,586,517	3,569,781
Oats, bu.	75,603	67,978	630,515	852,867
Barley, bu.	29,648		3,871,788	
Rye, bu.	42,039	96,428	298,070	1,028,030
Total, bu.	622,593	367,371	21,956,901	13,495,642

BUILDING

The volume of prospective building at twenty reporting cities of the sixth district as reflected in permits issued during May for the construction of buildings within their corporate limits, declined 5.9 per cent compared with the preceding month, and was 44.2 per cent smaller than for May last year. This large decline compared with May a year ago is largely attributable to the total shown for Atlanta for May 1928, which includes some large projects, and increased the district total for that month. Seven of these reporting cities showed increases over May last year, while thirteen reported smaller figures. The index number of building permits for the district for May, based upon the monthly average for the three-year period 1923-25, was 69.1, compared with 73.4 for April and with 123.9 for May last year. Index numbers for Atlanta and for Federal Reserve branch cities are shown on page 8 of this Review.

The total value of contracts awarded for building and construction work in the 37 states east of the Rocky Mountains, according to statistics compiled by the F. W. Dodge Corporation, amounted in May to $587,765,900, a decrease of 9 per cent compared with the preceding month, and 12 per cent smaller than the total for May of last year. Total contracts awarded during the first five months of the year amounted to $2,485,655,700, a decrease

of 11 per cent compared with the corresponding period of last year. In May 33 per cent of the total, or $192,014,600, was for residential building; 24 per cent, or $139,388,200 was for public works and utilities; 15 per cent, or $86,470,700 for commercial buildings, and 14 per cent, or $80,768,900 for industrial buildings.

Contracts awarded in the sixth district during May totaled $33,578,000 in value, smaller by 10.2 per cent than the total for April, but 3.3 per cent greater than for May last year.

In the table are shown statistics of building permits issued at reporting cities of the sixth district, and comparative figures for the same month last year.

	May 1929		May 1928		Percentage change in
Alabama	Number	Value	Number	Value	Value
Anniston	34	$ 45,550	32	$ 79,485	— 42.7
Birmingham	528	601,101	611	1,912,432	— 68.6
Mobile	74	133,169	142	212,793	— 37.4
Montgomery	216	382,499	205	470,330	— 18.7
Florida					
Jacksonville	354	538,345	415	730,665	— 26.3
Miami	375	700,361	214	142,975	+389.8
Orlando	86	80,215	96	77,925	+ 2.9
Pensacola	134	40,476	57	87,000	— 53.5
Tampa	255	337,054	364	488,558	— 30.3
*Lakeland	8	4,000	8	12,300	— 67.5
*Miami Beach	75	1,085,200	39	331,485	+227.4
Georgia					
Atlanta	313	1,518,637	372	5,910,349	— 74.3
Augusta	192	132,655	183	110,057	+ 20.5
Columbus	54	104,915	54	78,010	+ 34.5
Macon	121	62,438	253	603,785	— 89.7
Savannah	29	97,350	48	110,835	— 12.2
Louisiana					
New Orleans	206	860,401	266	802,542	+ 7.2
Alexandria	57	112,925	94	56,785	+ 98.9
Tennessee					
Chattanooga	346	184,427	256	793,435	— 76.8
Johnson City	20	58,800	17	64,840	— 9.3
Knoxville	128	623,952	264	643,158	— 3.0
Nashville	180	1,160,482	329	574,985	+101.8
Total 20 Cities	3,702	$7,775,752	4272	13,945,944	— 44.2
Index No.		69.1		123.9	

*Not included in totals or index numbers.

LUMBER

Preliminary reports for the month of May received up to the middle of June by the Southern Pine Association from 91 subscribing mills indicate that May output of these mills was almost equal to their three-year average production, that shipments were somewhat smaller than production, and that orders booked during May were smaller in volume than shipments or production. Orders booked by these reporting mills in May, amounting to 219,914,103 feet, were 7.4 per cent less than their output; in April orders were less than one per cent smaller than production, and in May 1928 orders were 5.5 per cent smaller than output of the mills which reported for that month. May shipments were 5.6 per cent greater than the volume of orders booked, but were 2.2 per cent less than production. Production in May was only four-tenths of one per cent, and in May last year 1.4 per cent, less than the production of reporting mills. Stocks on hand at the end of May were 6.7 per cent less than the three-year relative stocks of these mills. Unfilled orders on hand at the close of May amounted to 79.5 per cent of a month's output at the rate which prevailed in May. Preliminary figures for May, with comparisons, are shown in the table.

(feet)	May 1929 91 mills	April 1929 100 mills	May 1928 95 mills
Orders	219,914,103	239,409,819	242,179,608
Shipments	232,126,563	253,178,033	281,363,536
Production	237,367,589	241,187,077	256,161,840
3-Year Average Production	238,291,976	249,565,833	259,763,701
Stocks, end of month	569,197,847	582,168,511	648,800,809
3-Year Relative Stocks	610,170,434	639,038,272	653,903,187
Unfilled Orders, end of month	188,677,288	214,470,380	189,985,232

TEXTILES

Cotton Consumption Statistics compiled and published by the United States Census Bureau indicate that the consumption of cotton in the United States during May increased 5.8 per cent over April, and was only slightly smaller than the high total record in January. May consumption was 15.7 per cent greater than in the corresponding month last year. Stocks of cotton in consuming establishments at the end of May were smaller than a month ago, but somewhat larger than at the end of May 1928, and stocks in public storage and at compresses were smaller than a month or a year ago. Exports of cotton during May declined seasonally compared with preceding months, and were smaller than for any month since August. May exports were 46 per cent smaller than in May last year. The number of spindles active in May decreased 13,902 compared with April, but was 1,962,138 greater than for May last year.

Figures for the cotton-growing states indicate that during May the consumption of cotton in these states increased 5.6 per cent over April, and was 14 per cent greater than in May 1928. The number of spindles active in these states in May was 90,866 greater than in April, and 212,206 greater than in May last year. In May 75.5 per cent of the total consumption of cotton in the United States and 58.3 per cent of the active spindles were in the cotton-growing states.

United States (Bales)	May 1929	April 1929	May 1928
Cotton Consumed:			
Lint	668,229	631,710	577,384
Linters	80,145	79,008	62,336
Stocks in Consmg. Establishmts.:			
Lint	1,477,308	1,606,832	1,330,880
Linters	231,589	233,189	211,141
Stocks in Public Storage and at Compresses:			
Lint	1,847,688	2,523,574	2,258,763
Linters	78,488	81,333	59,399
Exports	313,003	458,591	578,403
Imports	42,486	84,621	19,842
Active Spindles	30,910,282	30,924,184	28,948,144

Cotton Growing States (Bales)	May 1929	April 1929	May 1928
Cotton Consumed	504,395	477,866	442,441
Stocks in Con. Estabs.	1,037,697	1,146,004	877,742
Stocks in Pub. Stor. and at Comp.	1,560,458	2,239,899	2,091,653
Active Spindles	18,032,814	17,941,948	17,820,676

Cotton Cloth Reports for May were rendered to the Federal Reserve Bank of Atlanta by cotton mills in the sixth district which, during that month, produced 27,128,000 yards of cotton cloth, an output 4.4 per cent greater than their production in April, and showing an increase of 11.8 per cent over their output in May last year. All of the items reported, except unfilled orders, showed increases in May compared with April, and all items except stocks on hand were larger than for May 1928, as indicated by the percentage comparisons shown in the table.

	May 1929 compared with: Apr. 1929	May 1928
Production	+ 4.4	+11.8
Shipments	+ 2.2	+ 4.3
Orders booked	+15.3	+18.6
Unfilled orders	—13.4	+11.0
Stocks on hand	+16.7	—20.8
Number on payroll	+ 0.2	+ 6.5

Cotton Yarn Reports for May were also received from mills which produced during that month 7,871,000 pounds of yarn, an output 8.2 per cent greater than in April, and 14.9 per cent greater than in May last year. Shipments and numbers of workers reported fo May showed increases over April, but orders, unfilled orders and stocks on hand declined. Stocks at the end of May this year were smaller than a year ago but other reported items show increases over May 1928.

	May 1929 compared with: Apr. 1929	May 1928
Production	+ 8.2	+14.9
Shipments	+11.7	+31.7
Orders booked	—16.9	+11.1
Unfilled orders	— 8.0	+40.0
Stocks on hand	—13.3	—24.7
Number on payroll	+ 2.6	+13.9

COTTON SEED AND COTTON SEED PRODUCTS

	(1) Sixth District Aug. 1 to May 31		United States Aug. 1 to May 31	
	1929	1928	1929	1928
Cotton Seed, Tons:				
Received at mills	1,493,803	1,427,227	5,026,633	4,542,997
Crushed	1,449,231	1,428,345	4,944,032	4,581,322
On Hand	49,274	25,346	100,634	50,449

Production:				
Crude Oil, lbs.	481,660,483	468,717,397	1,563,247,392	1,451,852,578
Cake and Meal, tons	626,508	621,808	2,226,500	2,059,442
Hulls, tons	314,973	258,472	1,057,278	860,686
Stocks:			(2)	(2)
Crude Oil, lbs.	5,521,637	9,508,144	32,910,985	41,686,974
Cake and Meal, tons	66,852	15,459	191,983	59,552
Hulls, tons	22,211	13,301	105,711	66,042
Linters, bales	34,924	18,393	128,362	82,761

(1) Georgia, Alabama, Louisiana and Mississippi.
(2) Not including stocks held by refining and manufacturing establishments, and in transit to refiners and consumers.

COAL

Statistics compiled by the United States Bureau of Mines indicate that production of bituminous coal in the United States during May, was greater, both in total output and in daily average, than in April, or in May last year. May production in both Alabama and Tennessee, the coal producing states of the sixth district, was in smaller volume than at the same time last year.

Total production of bituminous coal in the United States during May amounted to 40,172,000 tons, an increase of 8.9 per cent over production in April, and 9.7 per cent greater than in May 1928. The daily average production in May was 5.6 per cent greater than in April. There were 26.4 working days in May this year and last, and 25.6 working days in April. Weekly figures for Alabama production indicate a lower level of output for the weeks ending May 4 through May 25, but production during the week ending June 1, was somewhat greater than a year ago. Figures for Tennessee continued in May to show decreases compared with corresponding weeks last year.

Total production of soft coal during the present calendar year to June 8, approximately 135 working days, amounted to 225,403,000 net tons, compared with 207,312,000 net tons produced in the same period last year.

	(000 Omitted) United States		Alabama		Tennessee	
	1929	1928	1929	1928	1929	1928
Week Ended:						
May 4	8,781	8,174	335	355	90	108
May 11	9,142	8,392	327	328	97	106
May 18	8,939	8,182	322	342	89	101
May 25	9,164	8,374	322	340	89	101
June 1	8,435	7,382	321	314	93	99
June 8	9,156	8,412	320	319	98	100

IRON

Statistics compiled and published by the Iron Age indicate that a new high record of pig iron production in the United States was established in May, both total production and the daily average rate being greater than for any other month on record. There was also a gain in furnace activity. Alabama production of iron declined slightly and there was no change in furnace activity in that state during May.

Total production of pig iron in the United States during May amounted to 3,898,082 tons, greater by 6.4 per cent than output in April, and 18.7 per cent greater than production in May 1928. The average daily rate of production in May was 125,745 tons, larger by three per cent than the average for April. There was a gain of four in the number of furnaces active on June 1, compared with a month earlier, and of 21 compared with the same date a year ago. Total production of pig iron during the first five months of the year amounted to 17,923,735 tons, a new high record for this period, compared with 15,438,921 tons produced during the same period of last year.

Statistics for Alabama, for May, indicate the production of 235,117 tons of iron, smaller by three-tenths of one per cent than in April, but 13.6 per cent greater than the output in May last year. The average daily rate in May was 3.5 per cent less than for April. The number of furnaces active on June 1 was the same as a month earlier, and a year ago. Press reports indicate that sales, though in fair volume, are almost entirely for spot delivery, and inquiries for third quarter iron indicate that buyers are awaiting developments before covering their requirements for that period. The quoted price of iron for shipment outside the Birmingham district continues at $15.00, while $15.50 is being quoted for the district. Production figures are shown in tabular form for convenience of comparison.

	May 1929	Apr. 1929	May 1928
United States:			
Production, tons	3,898,082	3,662,625	3,283,856
Index number	130.5	122.1	109.9
Average per day—tons	125,745	122,087	105,931
*Active Furnaces	219	215	198
Alabama:			
Production, tons	235,117	235,787	207,045
Index number	101.2	101.5	89.2
Average per day, tons	7,584	7,860	6,678
*Active furnaces	17	17	17

*First of following month.

Unfilled Orders—U. S. Steel Corp'n

Unfilled orders on hand at the end of May, reported through the press by the United States Steel Corporation, amounted to 4,304,167 tons, a decrease of 123,596 tons compared with April, and smaller by 887,345 tons than at the same time last year.

NAVAL STORES

Receipts of both turpentine and rosin at the three principal naval stores markets of the district showed further seasonal increases in May compared with preceding months, and were somewhat greater than during the same month last year. Except for larger figures shown for May 1927, receipts of both commodities during May this year were greater than for that month of any other recent year. Stocks of turpentine on hand at the end of May were larger than on the same date for any of the past ten years. Except for May 1926 and 1920, stocks of rosin on hand at the close of May this year were smaller than at the same time for any other recent year. Prices on the Savannah market, according to quotations in the Weekly Naval Stores Review, have fluctuated within a narrow range between the middle of May and the first week of June, and on this latter date were slightly lower than those which prevailed four weeks earlier. Exports of both commodities during the first two months of the new naval stores season (April-May) appear to have been greater than during the same period of the previous season.

Receipts and stocks at the three principal markets of the district are shown in the table.

	May 1929	Apr. 1929	May 1928
Receipts—Turpentine:			
Savannah	21,225	15,415	19,729
Jacksonville	16,144	12,026	14,118
Pensacola	6,353	4,169	5,917
Total	43,722	31,610	39,764
Receipts—Rosin:			
Savannah	67,675	49,932	59,730
Jacksonville	52,970	38,691	44,052
Pensacola	16,739	11,831	14,678
Total	137,384	100,454	118,460
Stocks—Turpentine:			
Savannah	14,466	12,685	9,931
Jacksonville	18,258	18,745	20,832
Pensacola	20,812	21,257	15,978
Total	53,536	52,687	46,741
Stocks—Rosin:			
Savannah	66,536	64,559	65,710
Jacksonville	41,046	33,666	51,226
Pensacola	13,083	10,110	11,953
Total	120,665	108,335	128,889

BUSINESS CONDITIONS IN THE UNITED STATES

(Continued from Page 1)

the preceding two months, and a further growth in loans chiefly for commercial and agricultural purposes. Investments declined during most of the period and on June 19 were at a level about $450,000,000 below that of the middle of last year. Volume of reserve bank credit outstanding, after increasing in the latter part of May, declined in June, and following the treasury financial operations around the middle of the month, showed a small increase for the four weeks ending June 19. Discounts for member banks increased, while holdings of acceptances and United States securities showed a decline. There were some further additions to the country's stock of monetary gold.

Open market rates on collateral loans declined in June, while rates on prime commercial paper and 90-day bankers' acceptances remained unchanged.

MONTHLY INDEX NUMBERS

The following index numbers, except as indicated otherwise, are computed by the Federal Reserve Bank of Atlanta monthly. The index numbers of retail and wholesale trade are based upon sales figures reported confidentially by representative firms in the lines of trade indicated, and the other series of index numbers are based upon figures reported to the bank or currently available through the daily or trade press. These index numbers, except as indicated in the foot-notes, are based upon the monthly averages for the three year period 1923-25 as represented by 100.

	March 1929	April 1929	May 1929	March 1928	April 1928	May 1928
RETAIL TRADE 6th DISTRICT (Department Stores.)						
Atlanta	153.8	146.1	142.6	152.4	131.8	157.8
Birmingham	119.5	99.1	114.2	115.7	102.5	120.8
Chattanooga	90.9	82.8	83.6	82.5	84.8	89.9
Nashville	116.6	103.9	124.1	106.0	94.2	119.5
New Orleans	97.4	94.8	92.4	100.9	95.2	97.7
Other Cities	113.4	99.6	102.4	109.7	104.6	109.8
DISTRICT	113.0	104.0	107.0	110.0	102.0	114.0
RETAIL TRADE U. S. (1)						
Department Stores	109.5	104.0	~~106.0~~ 110	103.0	101.9	107.2
Chain Stores:						
Grocery	234.6	232.0	234.0	227.0	202.0	213.0
5 & 10 Cent	156.3	142.0	166.0	133.0	134.6	139.0
Drug	196.3	186.0	195.0	163.0	154.5	163.8
Shoe	158.5	123.0	144.0	117.0	130.0	129.9
Wearing Apparel	240.7	220.0	.....	200.0	194.6	220.8
Candy	152.3	123.0	.....	119.0	130.0	126.8
WHOLESALE TRADE 6th DISTRICT						
Groceries	89.9	87.8	87.8	91.8	80.6	86.4
Dry Goods	89.4	83.6	73.3	96.5	76.9	74.0
Hardware	86.5	90.9	91.7	88.7	81.1	85.3
Furniture	98.9	98.0	90.6	102.5	93.9	83.9
Electrical Supplies	81.7	95.4	80.9	75.1	78.2	78.5
Shoes	102.7	101.4	91.2	112.1	92.3	93.9
Stationery	68.3	74.3	63.6	76.3	71.5	68.2
Drugs	100.3	108.1	111.7	113.3	95.9	108.0
TOTAL	89.1	89.9	87.2	92.2	81.7	84.5
WHOLESALE PRICES U. S. (2)						
Farm products	107.1	104.9	102.2	103.5	107.6	109.8
Foods	98.1	97.7	97.7	98.0	99.5	101.2
Hides and leather products	108.3	107.9	106.8	124.0	126.7	126.3
Textile products	96.1	95.5	94.2	96.5	96.5	96.6
Fuel and lighting	80.6	80.6	81.1	80.8	80.8	81.8
Metals and Metal products	106.4	106.4	105.2	98.4	98.4	98.6
Building materials	98.8	97.9	96.8	91.0	92.5	93.5
Chemicals and drugs	95.6	94.9	94.2	95.6	95.8	95.3
Housefurnishing goods	96.5	96.7	96.7	98.3	97.9	97.8
Miscellaneous	80.0	79.2	79.6	86.8	84.9	85.1
ALL COMMODITIES	97.5	96.8	95.8	96.0	97.4	98.6
BUILDING PERMITS 6th DISTRICT						
Atlanta	114.6	70.9	98.2	116.6	66.1	382.0
Birmingham	50.4	223.0	40.5	121.7	129.4	129.0
Jacksonville	51.0	56.1	65.4	92.2	112.4	88.8
Nashville	80.3	87.1	182.9	111.8	163.3	90.6
New Orleans	154.6	38.5	66.8	47.3	53.5	62.3
Other Cities	46.0	42.9	56.5	74.8	50.0	73.3
DISTRICT (20 Cities)	70.7	73.4	69.1	87.2	74.0	123.9
CONTRACTS AWARDED 6th DISTRICT	72.4	106.7	95.7	85.0	69.4	92.6
COTTON CONSUMED:						
United States	124.5	124.3	131.5	114.4	103.3	113.7
Cotton-Growing States	137.5	136.8	144.4	123.5	113.5	126.6
All Other States	95.8	96.8	103.1	94.3	80.9	85.1
Exports	90.4	73.8	50.9	100.0	78.9	96.2
PIG IRON PRODUCTION:						
United States	124.3	123.1	130.5	107.1	106.6	109.9
Alabama	107.3	101.5	101.2	96.2	85.9	89.2
UNFILLED ORDERS—U. S. STEEL CORPORATION	92.4	92.7	90.1	90.8	81.1	71.6

(1) Compiled by Federal Reserve Board.

(2) Compiled by the Bureau of Labor Statistics. Base 1926—100.

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